



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 22, 2004

S. 1957

United States-Mexico Transboundary Aquifer Assessment Act

*As ordered reported by the Senate Committee on Energy and Natural Resources
on June 16, 2004*

SUMMARY

S. 1957 would establish a program within the Department of the Interior to study and assess aquifers (i.e., groundwater reserves) that are located under the boundaries of Mexico and the bordering states of Arizona, California, New Mexico, and Texas. The U.S. Geological Survey (USGS) would coordinate the program and would provide grants and technical assistance to government agencies and other organizations in Mexico and the four states for projects that address groundwater issues. The bill would authorize the appropriation of \$50 million over the 2005-2014 period for federal projects, technical assistance, and grants.

Assuming appropriation of authorized amounts, CBO estimates that implementing S. 1957 would cost \$2 million in fiscal year 2005 and \$21 million over the 2005-2009 period. We estimate that an additional \$29 million would be spent after 2009, including \$25 million appropriated between 2010 and 2014. Enacting the bill would not affect direct spending or revenues.

S. 1957 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. Agencies in the four border states could receive grant funds if they choose to participate in this program.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1957 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars				
	2005	2006	2007	2008	2009
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	5	5	5	5	5
Estimated Outlays	2	4	5	5	5

BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 1957 will be enacted near the end of fiscal year 2004 and that the \$50 million authorized to be appropriated for the proposed aquifer program will be appropriated evenly over the next 10 years. As provided in the legislation, one-half of each year's appropriation would be awarded to laboratories, governmental agencies, universities, and other entities in Mexico or the four border states. The remaining half would be used by the USGS to carry out the federal component of the program that would include program coordination, data integration, and technical assistance.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1957 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Agencies in the four border states could receive grant funds if they choose to participate in this program.

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